



— State of —
North Dakota
Office of the Governor
John Hoeven
Governor

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Harvesting the Wind To Build North Dakota's Future
Governor John Hoeven

Last week I had the pleasure to be among 350 people who turned out in Edgeley and Kulm to dedicate the North Dakota Wind Energy Centers I and II, our state's two largest wind farms to date. With 41 graceful and imposing turbines, these facilities can generate 61,000 megawatts of electricity – enough energy to power nearly 20,000 typical North Dakota homes.

The complex is just the kind of project we envisioned three years ago when we initiated investment tax credits to create a favorable business climate for wind power in our state. To make development even more attractive, this past spring we reduced the property taxes for wind projects from 10 to 3 percent. We put substantial incentives in place so that companies like Otter Tail Power Company, Basin Electric Power Cooperative and FPL Energy would recognize the advantages of investing in North Dakota. They have truly stepped up in a big way for the communities of Edgeley and Kulm.

North Dakota -- the sixth largest energy producing and exporting state in America -- is once again taking pride of place in the energy sector, this time with an exciting renewable resource. Wind power represents solid economic development for our rural areas, like Edgeley and Kulm, and it adds to our power generation mix in North Dakota. Importantly, too, it increases our national security by promoting a domestic source of energy.

Wind power has enormous potential in our state, and it also has some challenges. North Dakota exports more than 60 percent of the electricity we currently generate, most of it to Minnesota. Our transmission grid is currently near capacity during peak periods of demand. A number of efforts are underway to expand our transmission capacity, which is critical not only to wind energy development, but also to any additional coal or fossil fuel electrical generation in our state.

New transmission capacity will require huge investments, but North Dakota, through the Department of Commerce and other state agencies, is doing all it can to meet the challenge and ensure that all the pieces fall into place. That means creating a hospitable tax climate for wind energy producers and nurturing the industrial infrastructure necessary to support the industry. It means involving our universities so that the industry has both the skilled, dependable workforce and the ongoing research necessary to grow. Finally, it means meeting the transmission challenge in a cost-effective, efficient way.

Today, Otter Tail Power, Basin Electric Power, and half a dozen other companies and organizations are working with my office to meet these challenges. Our goal is to make facilities like Wind Centers I and II a sight as common across North Dakota, as it is in Edgeley and Kulm. With

continued development of wind energy and ethanol, it won't be long before North Dakota -- already an important energy producing and exporting state -- will be known as a leader not only in the production of coal, oil and gas, but also in wind, ethanol and other renewable energy sources.

/s/

John Hoeven
Governor